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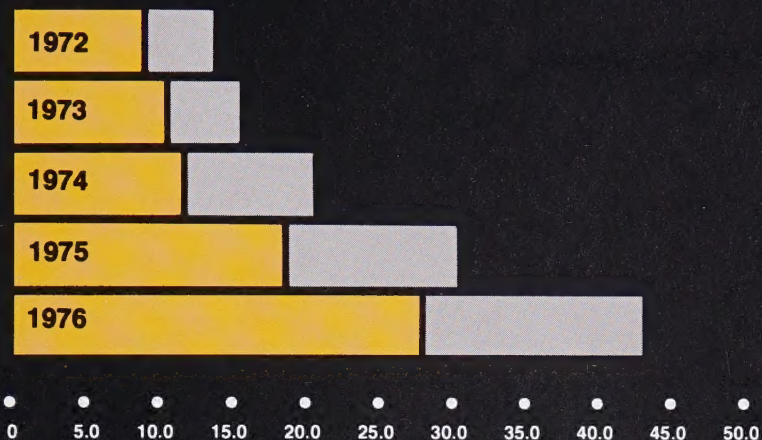
Maritime Life

annual report 1976

ANNUAL MEETING
MARITIME LIFE
HEAD OFFICE
HALIFAX, NOVA SCOTIA
MAY 5, 1977



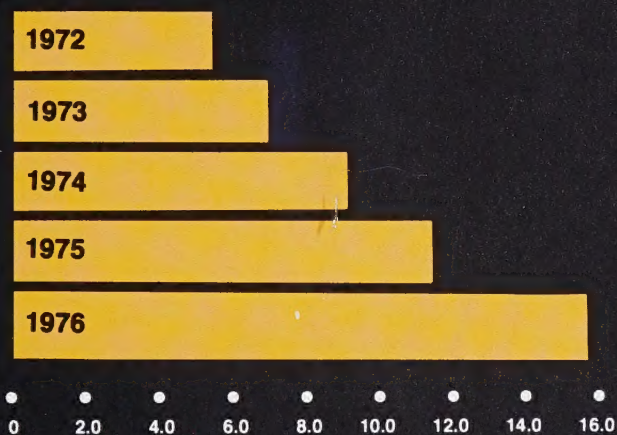
COMPANY GROWTH



TOTAL PREMIUM INCOME

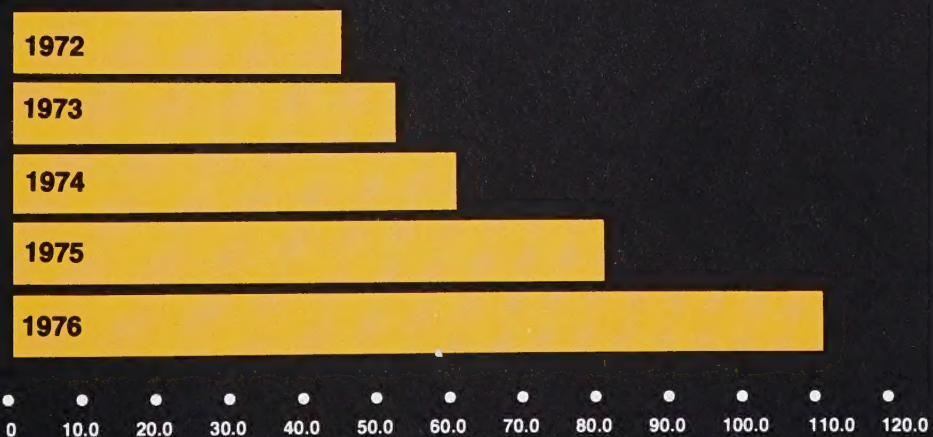
- INDIVIDUAL
- GROUP

MILLIONS \$



POLICY BENEFIT PAYMENTS

MILLIONS \$



ASSETS

MILLIONS \$

BOARD OF DIRECTORS



RONALD G. SMITH

Halifax, Nova Scotia
Chairman of the Board
The Maritime Life Assurance Company
Former President National Sea Products Ltd.

H. REUBEN COHEN, Q.C.
Moncton, New Brunswick
Senior Partner, H. R. Cohen

R. ROSS CRAIG
Hamilton, Ontario
Executive Vice President Commercial
Dominion Foundries & Steel Company

MICHAEL L. HEPHER
Halifax, Nova Scotia
President and Chief Executive Officer
The Maritime Life Assurance
Company

JOHN T. LONGMOORE
Boston, Massachusetts
Vice President
John Hancock Mutual Life
Insurance Company

ARTHUR R. LUNDRIGAN
Corner Brook, Newfoundland
President and Chief Executive Officer
Lundrigan's Limited

VICTOR A. LUTNICKI
Boston, Massachusetts
Executive Vice President
Group Operations
John Hancock Mutual Life
Insurance Company

GEORGES H. MERCIER
Montreal, Quebec
Corporate Director

CHARLES E. MACCULLOCH
Halifax, Nova Scotia
Chairman of the Board
MacCulloch & Company Limited

**DONALD MCINNES,
Q.C., L.L.D., D.C.L.**
Halifax, Nova Scotia
Senior Partner, McInnes,
Cooper & Robertson

STEWART MCINNES, Q.C.
Halifax, Nova Scotia
Partner, McInnes,
Cooper & Robertson

GEORGE B. ROBERTSON, Q.C.
Halifax, Nova Scotia
Senior Partner, McInnes,
Cooper & Robertson

PAUL R. WEAVER
Boston, Massachusetts
Executive Vice President
Field Management & Marketing
John Hancock Mutual Life
Insurance Company

WILLIAM C. WHITEMORE
Boston, Massachusetts
Senior Vice President & Treasurer
John Hancock Mutual Life
Insurance Company

HONORARY DIRECTORS

W. H. C. SCHWARTZ
Halifax, Nova Scotia
Honorary Chairman of the Board
The Maritime Life Assurance Co.
Chairman of the Board,
W. H. Schwartz & Sons Limited

**BERNARD LOCKWOOD,
F.F.A., F.C.I.A., A.I.A.**
Halifax, Nova Scotia
Former Vice President &
General Manager
The Maritime Life
Assurance Company

**J. A. WALKER,
Q.C., L.L.D., K.C.S.G.**
Halifax, Nova Scotia
Retired Senior Partner
Walker, Dunlop, Bushell &
Caldwell

PRESIDENT'S MESSAGE

1976 was a year in which a number of decisions were made and activities were performed which will greatly enhance the Company's ability to grow soundly and provide superior service to our clients in the years ahead.

FIELD OPERATIONS

The sales of the Company reflected a definite shift in marketing emphasis in 1976. On the Individual side, a change in product mix resulted in Single Premium sales at \$15,354,032 being 147% higher than the 1975 results, while Annual Premium sales at \$3,159,991 were 7% below 1975 results. On the Group side, there was a deliberate move to the sale of more stable intermediate sized cases, which resulted in increased Group sales activity, although total annualized premiums of \$4,233,000 in 1976 were 17% lower than in 1975.

A number of new agencies became associated with the Company in 1976, with particular emphasis on Ontario, and we opened an office in Edmonton to provide Group services to the Western Provinces. The opening of new offices is governed by our appraisal of the market to be served, the availability of quality people to man the office and our capacity to deliver superior products and service to that market.

The Ottawa Valley Branch under the leadership of Brian Noonan, CLU, won the President's Trophy for the Branch which achieved the greatest all-round improvement in sales, persistency, recruiting and expense.

A major decision that was reached in 1976 concerned our Individual marketing system. For some years we have been operating both the branch and the general agency systems. In the interest of further improving our service to policyholders and reducing the cost of their insurance, we have

decided that, in future, with the exception of our Special Services Division (which provides specialized insurance counselling to the Canadian Armed Forces) and the Cornerbrook Branch, we will develop our marketing through the general agency system totally. It is our conviction that in an increasingly sophisticated marketplace and with higher levels of professionalism among life insurance representatives, this marketing system more adequately serves the needs of Canadians.

Reflecting the Company's strong commitment to the sound growth of Group operations, Mr. J. S. Allison was appointed a member of the Senior Management Team as Director of Group Sales.

HEAD OFFICE OPERATIONS

The Company's rapid growth in recent years has pressed our administrative capacity. As part of a concentrated effort to maintain superior levels of service, we successfully introduced a new Group system in 1976 which is working smoothly and providing our Group clients with efficient service. We are now embarking on a new Individual system, scheduled for completion by Spring 1978 so that we can maintain our promise of "superior service" to both our clients and field personnel.

In the interest of the clientele we serve, the Company further extended its heavy commitment to all forms of training in 1976. LOMA, Actuarial, Accounting, LUAC, CLU, numerous supervisory, management and professional courses were extended throughout the organization. By way of example of the success of this program, it is interesting that out of 200 Head Office employees, 21 hold the Fellow of the Life Management Institute designation and eight have passed five or more actuarial

examinations. Furthermore, the Company introduced a program of financial assistance for a wide variety of educational programs outside the immediate sphere of the life insurance business.

As part of a re-organization of the Company's administration, Mr. T. D. M. Hardy was appointed Director of Corporate Services and a member of the Senior Management Team.

CORPORATE PLANNING

In the rapidly changing world we live in and with a young, dynamic Company, it is essential that time be spent asking "who are we, where do we want to go and how do we plan to get there?"

In 1976, Maritime Life made a major investment in the Corporate Planning process. Using the facilities of the American Management Association, a planning team comprised of nine people spent a total of 90 hours in session at a location away from the office. This effort, together with substantial input from all segments of the Company resulted in a detailed document outlining the "why, what and how" of the next five years. This plan has been approved by the Board of Directors and already significant benefits are being achieved in the operations of the Company.

FINANCIAL RESULTS

Characteristic of rapidly growing business with its so-called heavy front-end load of acquisition expense, the Company's operating loss of \$335,000 was consistent with our plans. Accordingly, the parent company, John Hancock Mutual with its commitment to the Company's sound and stable growth, contributed \$1,000,000 to surplus during the year. The key measures of mortality, morbidity, interest, persistency and



Senior Management (Clockwise, beginning bottom right) Michael Hepher, President & Chief Executive Officer; John Neilson, Vice-President & Director of Administration; Jim Allison, Director of Group Sales; Bill Black, Director of Marketing Services; Tudor Hardy, Director of Corporate Services; Ben Prince, Vice-President & Director of Agencies; Ken Mader, Vice-President & Treasurer.

PRESIDENT'S MESSAGE

expenses were within the assumptions priced into our products.

Bearing heavily on the Company's ability to offer a highly cost competitive product line, the average yield on the Company's assets rose sharply to 9.01% in 1976 from 7.77% in 1975. It is interesting to note that the Company's assets passed through the \$100 million mark in 1976 — the first \$50 million occurred in 1973 after 50 years of existence, the second \$50 million took just 3 years.

GROUP REHABILITATION

During 1976, the Company embarked on a special program to assist those people in receipt of disability pensions from Maritime Life, in their efforts to be rehabilitated into society. So often, organizations that pay these benefits deal with the situation in an impersonal way, treating the claimant as a file number and paying insufficient attention to the human factors involved. The personnel of our rehabilitation department establish a personal relationship with each claimant and work hard, usually over extended periods of time, to help him or her gain self-confidence and the will to get back into the mainstream of society. Early indications of the success of this program are most encouraging.

GROUP PENSIONS

1976 marked our first year of total commitment to the Group Pensions field and sales results have been most satisfactory. This product line completes our program of offering a full range of insurance and annuity products to Canadians.

TRINIDAD

Five years ago we established a subsidiary company in Trinidad,

Maritime Life (Caribbean) Ltd., in which we have held a 63% interest. At the outset, we committed to the Trinidad Government that after five years of satisfactory operation we would move into a minority position, and allow the control of the Company to pass into the hands of nationals of Trinidad and Tobago. The Company is now well established, and we are currently going through the process of reducing our interest to approximately 25%.

BOARD OF DIRECTORS

We were pleased to have Mr. Stewart McInnes, Q.C. join the Board of Directors during the year.

THE ECONOMY

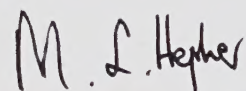
The economic outlook in the short to medium term is not bright. Our economy has suffered from heavy increases in government spending being financed by the printing of money (i.e. the money supply growing faster than the economy). The Anti-Inflation Program of the Federal Government is aimed at the symptoms of inflation rather than the causes. In my view, this program should be removed as quickly as possible and replaced by a total commitment to the reduction in the rate of growth of Government spending, at the same time as the rate of growth of the money supply is brought close to the rate of growth of the economy.

A further matter for concern which must be mentioned here is the indexing of pensions for Members of Parliament, Senators and Federal Civil Servants. This program, which is not actuarially funded, is creating a massive obligation for future generations to pay. If this scheme were actuarially funded, it is estimated that indexing pensions up to a maximum of 5% per annum would

require contributions approximately 40% higher than a non-indexed pension. If there is no ceiling on the degree of indexation, the cost implications are even more significant. It is to be hoped that the suitability of this program will be re-examined at an early date.

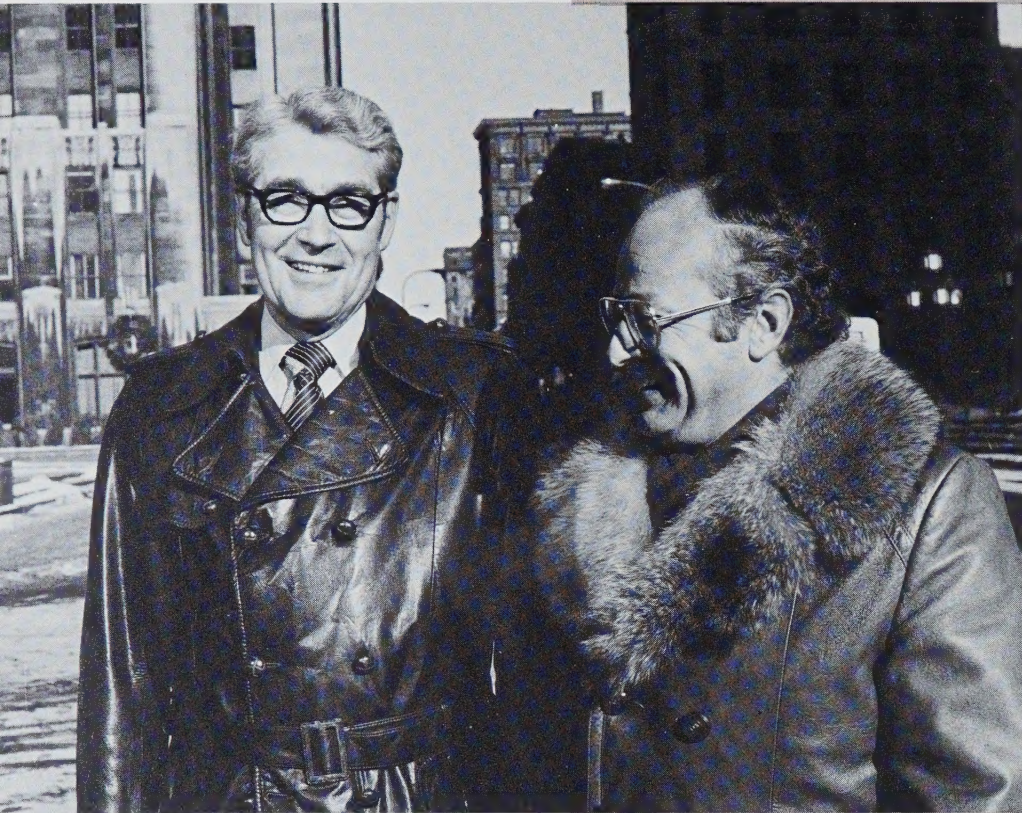
We enter 1977 with mixed feelings. On one hand, our Company is in a sound position for a year of good progress. On the other hand, many of the problems facing our economy tend to erode the purposes and hence the benefits to society of the life insurance industry. It will be vital that we monitor these external trends and respond quickly so that our Company maintains its reputation for offering contemporary solutions to the financial planning needs of Canadians.

I would like to end by paying tribute to the 500 people across Canada who are associated with Maritime Life. We are indeed fortunate to have so many friends and supporters and to all I say "Thank you for your enthusiasm and commitment. I look forward to working with you as we face the exciting challenges of the late 1970's".



M. L. Hepher
President & Chief Executive Officer
February 17, 1977

PHILOSOPHY



Senior management is as likely to be found in the field working directly with agents, as at home. J. Ben Prince (left) is shown visiting with Jean-Pierre Lefebvre of Dubreuil, Lefebvre, Roy, Inc., Montreal.

Administration counts on field information to increase the value of its services. Below, John Neilson (right) talks with Garson Rubinger of Manuel Smith Associates Ltd., Montreal.

In 1976 Maritime Life continued and expanded upon its commitment to the philosophy that achieving the Company's goal of excellence is entirely dependent upon teamwork. Teamwork is the link between the Field Force and Head Office in our goal to provide superior service to the Canadian marketplace. Frequent field visits by senior management, new product development, new administrative efforts, new computer techniques — all underscored Management's support of the Sales operation.

Open communication between our Field people and Head Office is the cornerstone to Maritime Life's marketing approach. Product design is aimed at meeting tomorrow's needs in today's rapidly changing economic environment. We believe that products will only be successful when designers are sensitive to the needs of the sales force and their clients. Proof that the mutual interests of the Company, its sales personnel and the buying public have been served by this approach is evident in the growth in business contributed by innovative products during the past few years.



INDIVIDUAL SALES OPERATIONS



provided by the Company's **Special Services Division**. Since the insurance requirements of service personnel differ from those of the population as a whole, it is these special circumstances this Division addresses.

Competent insurance counselling is especially important to servicemen and their families. Our efforts have continued to be rewarded by a significant increase in the amount of business from this area of the community during 1976.

The Chairman of the Board, R. G. Smith, shown with convention qualifiers and their wives from Newfoundland.

Maritime Life's close association with the men and women of the Defence Forces was underscored during the year by the Company's sponsorship of an aerial display by the Snowbirds.

Our Head Office staff are continually striving for accurate efficient service.

The Company's decision during 1976 to market its Individual products in future almost exclusively through the General Agency approach, as opposed to a mixture of Branch Offices and General Agencies, has been well received. Concentration within one major marketing system will enable greater specialization and faster market penetration into various geographical areas. With plans to continue outpacing the industry in our development of innovative products, the Company is also committed to maintaining the reputation it has earned for outstanding underwriting service.

Maritime Life has documented ambitious plans to form mutually profitable business relationships with a number of top quality General Agencies as yet unassociated with us, while continuing to support the many from coast-to-coast who have formed business ties to date. As an example of current support, seven seminars on topics of vital interest to both professional life insurance salesmen and the Head Office back-up team were held during 1976.

Special Services Division

Insurance counselling for the men and women of the Canadian Armed Forces throughout Canada and in Germany is



GROUP OPERATIONS



The Company's rehabilitation program is designed to produce results in both humane terms and economic gains.

The attention of a large staff in policyholder services adds the personal touch to computerized operations.

Aesthetics, comfort and convenience of the Company's headquarters contribute to high staff morale.



Although Maritime Life's entry into the Group insurance business has only occurred in this decade, some of the largest cases in Canada have been underwritten by us. Increasing emphasis on the Company's Group Sales stems from our conviction that for many people, Group insurance in conjunction with government health and pension programs represents the solid base on which to build their Individual insurance portfolio.

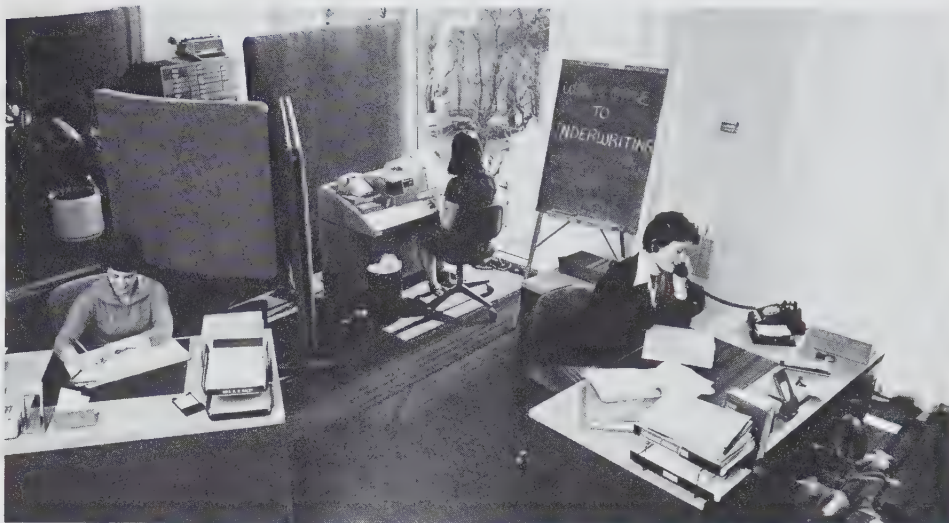
Correspondingly, people insured with Maritime Life for Group benefits are often more receptive to having us supply some or all of their supplementary needs through Individual policies, thereby meeting their total personal or business needs.



MARKETING SERVICES

With competition keen in the Group Insurance market, many clients place intrinsic value on simplicity in administration and timeliness in claim payments. Maritime Life's growing reputation in these areas is not only known but also appreciated by a number of clients.

Group coverages offered by Maritime Life include group life, survivor income, accidental death and dismemberment, weekly sick pay, long term disability, major medical, dental and pensions. Each of the programs under these major headings is subject to flexible arrangements and tailored to suit the needs of the particular group.



This Division is charged with the responsibility for both designing and manufacturing our Individual and Group products. Our success with the Triflex Annuity Plan and the Adjustable Whole Life plans — to mention just a couple — is tangible evidence that our innovative products have surpassed the more traditional plans in meeting current life insurance and retirement needs. On the Group side, our MARKIT and TRAFIC packages are providing group insurance coverage for thousands of Canadians.

Maritime Life enjoys a reputation for superior underwriting which assures agents of the best possible response on all policy applications.

Competition from other life insurance companies as well as many other types of financial institutions for management of the public's savings dollars remains keen; achievement of our goals for an ever-increasing market share is highly dependent upon our ability to continue to offer the right products ahead of our competition.

Our reputation for outstanding underwriting services is also safeguarded by the Marketing Services Division. Both Standard and Sub-standard risks receive careful and immediate attention from the Company's underwriters. Our sales personnel know with confidence when submitting any application that Maritime Life can be counted on to do a thorough job in making the best possible offer. Our excellent working relationships with reinsurance companies often give us the competitive edge. Our products must be profitable as well as competitive and this responsibility is not overlooked within this Division.



Shown above are seven of the eight actuaries who form part of Maritime Life's Head Office team.

Speeding communications between home office and agencies is given priority by staff in Halifax. The word processing centre contributes to both speed and accuracy.

INVESTMENTS

Maritime Life continued to concentrate the investment of its policyholders' money in the mortgage field. Our mortgage commitments during 1976 totalled \$38,000,000 and, in conjunction with commitments from our investment associates, will permit new housing financing of \$72,000,000 for Canadians in approximately 1800 family living units.

The 73 projects in which the Company participated in 1976 were spread from East to West and also into the Arctic. Maritime Life has earned the reputation of being one of the most aggressive lenders involved in National Housing Act mortgages. Our mortgage investment policy is meeting Canada's most pressing housing need — modest cost rental units. We consider that directing a high proportion of our available mortgage funds to such housing is both sound business practice and in the interest of our Nation as a whole. By the end of 1976, Maritime Life had participation in approximately 5000 modest cost rental units.

In addition to its concentration in rental housing in the area between luxury apartments and subsidized units, Maritime has shown a willingness to approve mortgages in smaller centres throughout Canada; for example, projects in Whitehorse, Yukon; Estevan, Sask; Fort McMurray, Alta; Midland, Ont; and in Kentville and Bridgewater, N.S.



Maritime Life considers it both economically prudent and evidence of good corporate citizenship to invest a majority of funds in a pressing Canadian need — modest-cost rental housing. Maritime Life's Vice-President & Treasurer, Ken Mader, visits building sites in which the Company has invested to get the "feel" of the project as well as the numbers.

ADMINISTRATION



A file on every policy is maintained in the home office. This "back-up" reference supplements information in our computer systems.

Direct data entry gives administrators virtually instant addition and retrieval of policy information. Best of all the speed is accompanied by great accuracy.

We know that aggressiveness in product design, challenging sales growth objectives and a sound investment policy will only produce success if backed by strong administrative capability.

During 1976, the Administration Division worked hard to improve efficiency and provide a good level of service to all our customers. Some of our achievements were:

- Broadening Group Claims service by opening claims offices in Montreal and Edmonton,
- Implementing a new Group Administrative computer system to streamline the processing of premium and claim payments and to provide accurate and prompt management information,
- Rewriting many of our policy wordings in layman's language instead of 'difficult to understand' technical terms,
- Reviewing and upgrading our written communication procedures,
- Establishing a Rehabilitation program in support of disabled clients,
- Improving systems, in particular the procedures for Policy Issue, RRSP and Pre-authorized Cheques,
- Developing service indices to tangibly measure the quality of service to our clients.



CORPORATE SERVICES

All corporations must support their specialized functions with corporate services of a more general nature. The establishment of the Corporate Services Division within Maritime Life during 1976 united such key service functions as data processing operations and systems development, personnel planning and staff training and the communication processes. Of course, all these functions were performed in the past but our plans for continuing growth pointed to the formation of a new Division to enable greater co-ordination and increased attention.

Major decisions and rapid strides have been made in planning for the future. Data entry via key to disk and active involvement of user departments during a system design stage were inaugurated in the development and implementation of our first Data Base Management System application. The success of this System for administering over 500 Group policies has led to a larger commitment — to have a second Data Base application operational during 1978 for handling our 57,000 Individual policies followed by further applications in the subsequent years.

By employing modern concepts and technology and with direct access to the technical expertise and computing power of Datacrown Ltd. in Toronto, the ability to provide accurate and timely service for our field force and policyholders is ever increasing.



Careful consideration in the development of systems leads to increased administrative efficiency.

From the Company's computer room in Halifax, direct access to the computing capabilities at Datacrown Ltd. in Toronto is maintained



COMPARATIVE BALANCE SHEET

(in thousands of dollars)

ASSETS

	1976	1975
Bonds, at Amortized Cost	\$ 17,287	\$16,803
Stocks, at Cost	2,105	2,218
Guaranteed Investment Certificates	104	115
Segregated Investment Fund Assets, at Market (Note 2)	12,857	10,426
Mortgages, at Amortized Principal	62,749	36,347
Real Estate, at Cost	3,025	3,017
Policy Loans	6,674	4,236
Cash	2,290	3,741
Investment Income, Due and Accrued	1,336	1,073
Outstanding Premiums	1,853	2,454
Investment in Subsidiary, at Cost (Note 3)	381	368
Other Assets	67	46
	\$110,728	\$80,844

The Notes to Financial Statements
overleaf are an integral part of these
Financial Statements.

AS AT DECEMBER 31st.

LIABILITIES

	1976	1975
Policyholders		
Provision for Future Benefits (Note 4)	\$ 70,473	\$48,685
Provision for Experience Rating Refunds	5,183	3,338
Provision for Dividends	594	501
Outstanding and Unreported Claims	5,281	5,386
Amounts Left on Deposit	3,308	3,141
Segregated Investment Fund Liabilities (Note 2)	12,857	10,426
	97,696	71,477
Cheques in Process	1,560	1,339
Pension Funds	341	355
Provision for Retired Employees	68	68
Miscellaneous Liabilities	5,660	3,465
	105,325	76,704
CAPITAL STOCK AND SURPLUS		
Capital Stock		
Authorized — 200,000 Shares of \$5 par value; Issued — 189,294 Shares	946	946
Investment Reserve (Note 5)	1,600	1,600
Surplus	2,857	1,594
	5,403	4,140
	\$110,728	\$80,844

Signed on behalf of the Board
R. G. Smith, Chairman of the Board
M. L. Hephner, President and
Chief Executive Officer

COMPARATIVE STATEMENT OF OPERATIONS

(in thousands of dollars)

	1976	1975
INCOME		
Premiums	\$43,455	\$30,295
Consideration for Settlement		
Annuities	1,318	1,421
Investment Income	7,608	5,087
Market Value Adjustments on		
Segregated Investment Fund Assets	346	629
	52,727	37,432
DISPOSITION OF INCOME		
Policy Benefits	\$15,773	\$11,681
Provision for Future Policy Benefits	22,990	15,882
Experience Rating Refunds	2,295	1,050
Dividends to Policyholders	594	487
Interest Items and Pension Funds	478	270
Expenses, Commissions and Taxes	10,932	9,392
	53,062	38,762
DEFICIT FROM OPERATIONS	\$ 335	\$ 1,330

COMPARATIVE STATEMENT OF SURPLUS

(in thousands of dollars)

	1976	1975
Surplus at Beginning of Year	\$1,594	\$ 1,752
Contributions by Parent Company	1,000	1,250
Deficit from Operations	(335)	(1,330)
Adjustment of prior year's Provision		
for Future Benefits	657	71
Loss on Sale of Investments	(34)	(128)
Net Currency Adjustments	(25)	(21)
SURPLUS AT END OF YEAR	\$2,857	\$ 1,594

NOTES TO FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The accompanying financial statements have been prepared in accordance with accounting principles prescribed or accepted by the Department of Insurance of Canada. The Department's requirements emphasize liquidity and solvency, and accordingly provide that:

- (a) certain assets, such as office furniture and other non-admitted assets, are written off as expenses in the year acquired;
- (b) the costs of acquiring new business are written off as expenses in the year incurred;
- (c) income taxes, when applicable, are calculated using the taxes payable method.

2. SEGREGATED INVESTMENT FUND ASSETS

The company has segregated certain funds in its accounts relative to policies issued in accordance with Section 81 of the Canadian and British Insurance Companies Act. The provisions for future benefits related to these policies vary in accordance with the market values of the segregated funds.

3. INVESTMENT IN SUBSIDIARY

Investment in and balances with Maritime Life (Caribbean) Ltd., a 63% owned subsidiary, are carried in these financial statements at cost. The accounting policies and actuarial reserves used by the subsidiary are based on the requirements of the Department of Insurance of Trinidad and Tobago and are different from those used by the parent company. As a result, the accounts of the subsidiary are not consolidated herein.

4. PROVISION FOR FUTURE BENEFITS

The provision for future benefits in respect of the main classes of business are calculated in accordance with the following methods:

- (1) Life and Endowment Assurances — The Canadian Modified basis;
- (2) Group Term and Group Health Insurance — Unearned premiums plus an additional reserve;
- (3) Other types of policies — The net level premium basis.

The 1975 comparative figures for liabilities to policyholders have been reclassified to conform with the financial statement presentation adopted for 1976.

5. INVESTMENT RESERVE

The investment reserve is more than sufficient to cover the excess of carrying values of the assets over the values authorized by the Canadian and British Insurance Companies Act.

ACTUARY'S CERTIFICATE

I HEREBY CERTIFY that the sum of \$83,330,000 shown in the balance sheet of The Maritime Life Assurance Company as the actuarial reserve as at 31st December, 1976 for Insurance, Annuity and Accident and Sickness benefit contracts in force (including liabilities of \$12,857,000 in respect of variable benefits) is not less than the reserves required by the provisions of the Canadian and British Insurance Companies Act. The further reserve of \$4,321,000 for unreported death and

accident and sickness claims (including the present value of instalments not yet due under accident and sickness claims), and the provision of \$960,000 in respect of outstanding claims under insurance, annuity and accident and sickness contracts and \$5,183,000 in respect of experience rating refunds on Group Contracts have been calculated using assumptions that are adequate and appropriate. In my opinion, all of these reserves and provisions are consistent with the sound

principles established by precedents or common usage within the actuarial profession, and make good and sufficient provision for all of the respective obligations of the Company guaranteed under the terms of its policies.

Halifax, Canada
February 15, 1977

B. L. Burnell, F.I.A., F.C.I.A., A.S.A.

AUDITORS' REPORT

To the Shareholders and Policyholders of
The Maritime Life Assurance Company

We have examined the balance sheet of The Maritime Life Assurance Company as at December 31, 1976, and the statements of operations and surplus for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly, included such tests and other

procedures as we considered necessary in the circumstances; the reserves under policy contracts were determined and certified by the Company's Consulting Actuary.

In our opinion, based on our examination and the certificate of the Consulting Actuary, these financial statements present fairly the financial position of the Company as at December 31, 1976 and the results of its operations for the year then ended in accordance with accounting

principles prescribed or accepted by the Department of Insurance of Canada applied on a basis consistent with that of the preceding year.

Halifax, Canada
February 17, 1977

Thorne Riddell & Co.
Chartered Accountants



MANITOBA

Winnipeg

C.A.S. Insurance Marketing Services Ltd., Suite 1422, One Lombard Place

Special Services Division — Winnipeg
Office, 2381 Ness Ave., Moray Village Mall

Variable Insured Planning Insurance Agency Ltd., Suite 110, 1712 Portage Avenue

SASKATCHEWAN

Regina

Halmac & Associate Underwriters,
400-1853 Hamilton Street

ALBERTA

Calgary

Special Services Division — Calgary
Office, 4604-37th St. S.W.

Professional Assurance Planning Ltd.,
105 Flintridge Place, 8208 Flint Rd. S. E.
Edmonton

Personal Investment Portfolio Ltd.,
Centurian Tower, 10164-116th Street

R. W. Stinson, Regional Group Mgr. —
Western Canada, Suite 818, Royal Bank
Bldg., Jasper Avenue

Tozer, Marquardt & Bleau Insurance Consultants Ltd., 8230-105th Street

BRITISH COLUMBIA

Burnaby

Irv Rogers & Associates Inc., 205-
1899 Willingdon Avenue

Nelson

J. K. Sloan & Associates, P.O. Box 9
New Westminster

Block Bros. & Robertson Ltd., 725
Carnarvon Street

Vancouver

Davidson Agency, 422 East 19th Street

Maripac Insurance Services Ltd., Suite
B201, 325 Howe Street

Pacific Rim Financial Analyses Inc.,
7188 Cypress Street

D. L. Schindle, Regional Superintendent,
Western Canada, Suite 201, 1401
West 8th Avenue

T & H Annuity & Insurance Services Ltd., Suite 203, 1401 West 8th Avenue
Prince Rupert

Eastwood Insurance & Annuity Consultant Ltd., P.O. Box 752

Victoria

Special Services Division — Victoria
Office, 1316 Esquimalt Road

THE HEAD OFFICE MANAGEMENT TEAM

M. L. HEPHER, F.I.A., F.C.I.A., A.S.A.

J. A. Bobbitt, F.L.M.I.

J. S. ALLISON

W. A. BLACK, F.S.A., F.C.I.A.

C. M. Bowie, F.L.M.I.

J. A. Creighton, F.S.A., F.C.I.A.

R. W. Davidson

T. M. Moffatt, A.S.A., F.L.M.I.

P. J. Pothier, F.S.A., F.C.I.A.

R. V. Timmins, A.A.L.U.

T. D. M. HARDY

E. N. Blinn, C.D.P., F.L.M.I.

K. H. Leak

V. H. Peters

J. M. Woods, F.L.M.I.

K. A. MADER, F.C.A.

N. S. Cousens

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P. R. Stanger, C.L.U.

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Corporate Secretary

DIRECTOR OF GROUP SALES

DIRECTOR OF MARKETING SERVICES

Manager, Product Services

Manager, Group Pensions

Manager, Group Underwriting

Assistant Actuary

Assistant Actuary

Chief Underwriter

DIRECTOR OF CORPORATE SERVICES

Senior Systems Analyst

Manager, Systems Development

Manager, Data Processing

Manager, Corporate Services

VICE PRESIDENT & TREASURER

Accountant

Investment Comptroller

Manager, Corporate Actuarial

VICE PRESIDENT & DIRECTOR OF ADMINISTRATION

Manager, Accounting

Group Claims Consultant

Manager, Policyholder Service

Manager, New Business

VICE PRESIDENT & DIRECTOR OF AGENCIES

Manager, Agency Administration

Field Vice President, Central Canada and

Director of Manpower Development

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F.A.C.P., F.C.C.P., F.A.C.C.

Medical Director

S. T. Laufer, M.D., F.R.C.P. (c),
F.A.C.P., F.A.C.C.

Senior Medical Consultant

D. C.T. Macintosh, D.D.S.

Dental Consultant

P. D. Roy, M.D.

Medical Advisor — Claims

J. W. Stewart, M.D., F.R.C.P. (c)

Medical Consultant

I. Yachnin, M.D., F.R.C.P. (c)

Regional Medical Consultant

CONSULTING ACTUARY

B. L. Burnell, F.I.A., F.C.I.A., A.S.A.



The Company's commitment to training and professional expertise at all levels continues to grow. Shown are seventeen of the twenty-one Fellows of the Life Management Institute who are members of the Head Office team.



THE MARITIME LIFE ASSURANCE COMPANY

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